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C O N F I D E N T I A L SECTION 01 OF 03 NEW DELHI 001094

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E.O. 12958: DECL: 02/13/2016

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SUBJECT: UPA/LEFT INFIGHTING REVIVES "NO CONFIDENCE" RUMORS
- BUT THE NUMBERS DON'T ADD UP

REF: 05 NEW DELHI 7759

Classified By: Ambassador David C. Mulford for reasons 1.4 (B,D)

11. (C) Summary: Rumors of an imminent attempt by the Left Front (LF) and its allies to form a "third front" government to pull down Manmohan Singh have revived in the aftermath of India's IAEA vote against Iran. This is primarily the result of the contentious politics of India's largest state of Uttar Pradesh (UP) and the never-ending infighting between the LF and Congress. The shaky government of UP Chief Minister Mulayam Singh Yadav and his Samajwadi Party is growing increasingly desperate and has embraced a third front agenda as another means of hurting its Congress rivals and embarrassing the UPA. Likewise, the Communists are increasingly frustrated by what they view as Congress duplicity regarding the Common Minimum Program (CMP) and India's tilt towards the US. Mulayam has announced his intention to call for a no confidence motion in the upcoming session of Parliament, which starts on February 16. The LF is unlikely to support such a motion, as it would bring down the government and bring on new elections, which would likely dilute its power. Under the current breakdown of Parliamentary seats, the LF and its allies do not have the numbers to form a "third front" government. The Left is also unlikely to risk a new election that could return the BJP/NDA to power. Under this scenario, the LF is likely to keep chipping away at UPA credibility until it is strong enough to make its own move. In the meantime, Parliament faces a stormy session in the days just before President Bush arrives in New Delhi. End Summary.

Lucknow and New Delhi

12. (C) Two events are reviving speculation in Indian

political circles that the Left Front (LF) may pull down the government and move to come to power at the head of a "third front," The always-stormy affairs of Uttar Pradesh (UP), India's largest state, have spilled over into national politics. UP's embattled Chief Minister has seen his popular support erode and speculation is rife that his government could fall in a matter of months. Congress, which has an unenviable record of undermining rival state governments, is locked in a bitter feud with the SP and is holding "secret" negotiations with the Dalit-based BSP of former Chief Minister Mayawati aimed at forming a new government in Lucknow. In a mark of his desperation, Mulayam has attempted to join forces with the left and other opposition parties to challenge the UPA in New Delhi. He has announced that, during the budget session of Parliament, which convenes on February 16, he will call for a "no confidence" motion. If the LF then withdrew support, the government would fall.

The LF and Congress

13. (C) The LF continues to spar with Congress over economic and foreign policy and has grown increasingly virulent in its criticism. At a February 12 CPI(M) election rally in Assam, the party General Secretary, Prakash Karat, claimed that the Communists have already begun the process of forming a "third front" that will provide a Left alternative to the UPA and NDA. He qualified his remarks, however, by stating that the Communists would allow the UPA to remain in power in New Delhi until the third front "has taken shape." Karat accused the UPA, under Congress direction, of changing India's

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foreign policy from "non-alignment" to following "the diktat of the US." He also pledged that the LF and the SP would cooperate during the next Parliamentary session to oppose any GOI decision to "succumb to US pressure on the Iran issue," and to mount countrywide protests during the POTUS visit.

Yet Another Coordination Meeting

14. (C) The ongoing UPA/LF political drama has played out in the press and in a series of "coordination meetings" in which the two camps meet to discuss their differences. The ninth such meeting will take place in New Delhi on February 13. In a February 12 interview with "The Hindu," Prakash Karat expressed growing Communist resentment with the coordination process. Karat claimed that Congress was taking decisions against the LF and then using the meetings to announce a fait accompli. For example, he noted, despite Communist opposition, the UPA proceeded with airport privatization and opened up the retail sector to FDI. Karat and other LF leaders claim that they no longer have any expectation that the meetings will result in true coordination and announced plans to voice their opposition to UPA policies during the Parliament session, where they plan to hold "full discussions" of India's Iran policy, privatization of airports and FDI in the retail sector.

Parliament and the POTUS Visit

15. (C) The LF and its regional allies, most particularly the SP, plan to use the Parliamentary session to embarrass the UPA in the days before the POTUS visit. The rumor circulating around New Delhi is that the SP will introduce the no confidence motion on February 26, forcing the GOI to defend itself at a time when it would prefer to be laying the groundwork for the POTUS visit. There are also likely to be acrimonious Parliamentary debates in which the Left will accuse the UPA of bowing down to US pressure on economic and foreign policy issues, including Iran and the separation of civil and military nuclear facilities. The SP could also try to link the Iran issue with the Danish cartoon controversy and attempt to implicate the US in an "anti-Muslim" plot

(septel).

Left is Not United

¶6. (C) Of the four parties in the LF the very small Revolutionary Socialist Party (three seats in Parliament) and the Forward Bloc (three seats) are the most in favor of withdrawing support and bringing down the UPA. With a combined strength of only six seats, these two parties have nothing to gain from waiting and are more willing to insist on ideological purity. Prakash Karat and his followers in the CPI(M) control the biggest block of LF seats in Parliament (43) and would have a realistic chance of playing a crucial role in the formation of a new government. He is the Communist leader with the best chance of heading a third front government. The CPI(M) has never been close to Congress and increasingly denounces it as a "capitalist party" interested in "anti-people" policies that are not in the best interests of India's masses. Despite this, the CPI(M) wants to wait until it has a reasonable chance before pulling the plug on the UPA. The CPI(M) also does not want to bring on a new election only to see the hated NDA/BJP return to power. The pro-Moscow and more traditionally Communist CPI has

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always been close to Congress and appears content to allow the UPA to remain indefinitely.

And the Numbers Do Not Add Up

¶7. (C) The UPA currently holds 342 seats in the 545 seat Parliament. However, this total includes the "outside support" of 123 seats, including the 59 LF seats. Recent press reports have indicated that the LF is negotiating with the SP (38 seats), DMK (16 seats) and, most recently, the Telegu Desam Party (five seats). If all these parties joined a "third front," the total would be only 118 seats, not enough to form the nucleus of a new government, or to convince the other regional parties to abandon their current allies and sign up. We surmise that the CPI(M) has done its math and determined that a third front government will not fly and they will have to wait until new Parliamentary elections change the status quo. The outcome they would most welcome would be a further "meltdown" of the BJP in a future contest resulting in the destruction of the NDA and the acquisition of new seats by the LF and regional parties. The status quo places the Communists in the unenviable position of having sufficient power to bring down the government, but not enough to form a new one. This explains why the Communists have already signaled that they will not vote with Mulayam on the no confidence motion and will not bring down the UPA government. The LF could well abstain on a no-confidence motion, causing the UPA considerable embarrassment.

Comment - The UPA Remains in Power But Losing Credibility

¶8. (C) Unable, at present, to form a credible third front government, there is no indication that the LF is prepared to bring down the UPA. The political turbulence stirred by the controversial Iran vote and acrimony over Manmohan Singh's pro-US policies has created a sense of ferment that opportunists like Mulayam will seek to exploit. The arithmetic of the UPA government is inherently unstable, making its reformist efforts vulnerable to groups like the LF that make bold policy initiatives costly. Such is the nature of Indian coalition politics in 2006. These tempestuous political currents will be in full churn just as the President arrives.

¶9. (U) Visit New Delhi's Classified Website:
(<http://www.state.sgov.gov/p/sa/newdelhi/>)
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